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TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

UIL: 408.03-00

DEC 3 2012

Legend:

Taxpayer A	=
IRA X	=
IRY Y	=
Amount A	=
Amount B	=
Financial Institution A	=
Financial Institution B	=
Hospital A	=
Hospital B	=

Dear

This letter is in response to your request dated October 5, 20 , supplemented by correspondence received October 24, 20 , in which you request a waiver of the 60-day rollover requirement contained in section 408(d)(3) of the Internal Revenue Code (the "Code").

The following facts and representations have been submitted under penalty of perjury in support of the ruling requested:

Taxpayer A, represents that she received a distribution of Amount A, on October 18, 20 , from IRA X, an account maintained at Financial Institution A. Taxpayer A asserts that her failure to accomplish a rollover within the 60-day period prescribed by section 408(d)(3) was due to her medical condition and treatment for such condition which impaired her ability to accomplish a timely rollover. Taxpayer A further represents that Amount A has not been used for any other purpose.

Taxpayer A's husband died several months before she received the distribution of Amount A from IRA X. She represents that at the time of the withdrawal she instructed Financial Institution A to transmit the funds to Financial Institution B, for deposit into IRA Y, an account she opened on October 18, 20 . She also represents that at that time she was still grieving from the loss of her husband and was extremely ill, suffering severe abdominal pains, nausea, vomiting and fever. Taxpayer A's representations as to her medical condition are supported by medical records which document her admission to Hospital A on October 29, 20 where she underwent surgery and experienced post operative complications. On December 9, 20 she was transferred to Hospital B to engage in a comprehensive inpatient rehabilitation program. Taxpayer A was discharged from Hospital B on January 5, 20 . She remained at home under the care of visiting nurses for several weeks thereafter. During her recovery Taxpayer A discovered that Financial Institution A had not transmitted the funds to Financial Institution B. Taxpayer A contributed Amount B to the rollover Individual Retirement Account, IRA Y, at Financial Institution B on February 23, 20 .

Based on the facts and representations, you request that the Internal Revenue Service waive the 60-day rollover requirement contained in section 408(d)(3) of the Code with respect to the distribution of Amount A.

Section 408(d)(1) of the Code provides that, except as otherwise provided in section 408(d), any amount paid or distributed out of an IRA shall be included in gross income by the payee or distributee, as the case may be, in the manner provided under section 72 of the Code.

Section 408(d)(3) of the Code defines, and provides the rules applicable to IRA rollovers.

Section 408(d)(3)(A) of the Code provides that section 408(d)(1) of the Code does not apply to any amount paid or distributed out of an IRA to the individual for whose benefit the IRA is maintained if

(i) the entire amount received (including money and any other property) is paid into an IRA for the benefit of such individual not later than the 60th day after the day on which the individual receives the payment or distribution; or

(ii) the entire amount received (including money and any other property) is paid into an eligible retirement plan (other than an IRA) for the benefit of such individual not later than the 60th day after the date on which the payment or distribution is received, except that the maximum amount which may be paid into such plan may not exceed the portion of the amount received which is includible in gross income (determined without regard to section 408(d)(3)).

Section 408(d)(3)(B) of the Code provides that section 408(d)(3) does not apply to any amount described in section 408(d)(3)(A)(i) received by an individual from an IRA if at any time during the 1-year period ending on the day of such receipt such individual received any other amount described in section 408(d)(3)(A)(i) from an IRA which was not includible in gross income because of the application of section 408(d)(3).

Section 408(d)(3)(D) of the Code provides a similar 60-day rollover period for partial rollovers.

Section 408(d)(3)(E) of the Code provides that the rollover provisions of section 408(d) do not apply to any amount required to be distributed under section 408(a)(6).

Section 408(d)(3)(I) of the Code provides that the Secretary may waive the 60-day requirement under sections 408(d)(3)(A) and 408(d)(3)(D) of the Code where the failure to waive such requirement would be against equity or good conscience, including casualty, disaster, or other events beyond the reasonable control of the individual subject to such requirement. Only distributions that occurred after December 31, 2001, are eligible for the waiver under section 408(d)(3)(I) of the Code.

Rev. Proc. 2003-16, 2003-4 I.R.B. 359 (January 27, 2003) provides that in determining whether to grant a waiver of the 60-day rollover requirement pursuant to section 408(d)(3)(I), the Service will consider all relevant facts and circumstances, including: (1) errors committed by a financial institution; (2) inability to complete a rollover due to death, disability, hospitalization, incarceration, restrictions imposed by a foreign country or postal error, (3) the use of the amount distributed (for example, in the case of payment by check, whether the check was cashed); and (4) the time elapsed since the distribution occurred.

The information presented and the documentation submitted by Taxpayer A is consistent with her assertion that her failure to accomplish a timely rollover was due to an error by Financial Institution A which failed to transmit the funds from IRA X to Financial Institution B for deposit as a rollover contribution to IRA Y. Additionally, her medical condition and hospitalization impaired her ability to promptly realize the error on the part of Financial Institution A.

Therefore, pursuant to section 408(d)(3)(I) of the Code, the Service hereby waives the 60-day rollover requirement with respect to the distribution of Amount A from IRA X. Provided all other requirements of section 408(d)(3) of the Code, except the 60-day requirement, were met with respect to the contribution of Amount B to IRA Y, such contribution will be considered a rollover contribution within the meaning of section 408(d)(3) of the Code.

This ruling does not authorize the rollover of amounts that are required to be distributed by Section 401(a)(9) of the Code.

No opinion is expressed as to the tax treatment of the transaction described herein under the provisions of any other section of either the Code or regulations which may be applicable thereto.

This letter is directed only to the taxpayer who requested it. Section 6110(k)(3) of the Code provides that it may not be used or cited as precedent.

~~If you wish to inquire about this ruling, please contact~~ (ID
~~) at ()~~ ~~Please address all correspondence to~~
~~SE:T:EP:RA:T3.~~

Sincerely yours,



Laura B. Warshawsky, Manager,
Employee Plans Technical Group 3

Enclosures:

Deleted copy of ruling letter
Notice of Intention to Disclose